

Youth Flight Leaves 'No Future' Rust-Belt States

by Paul Gallagher

A recent series of articles in the Detroit press highlighted the steady flow of college-educated young people out of Michigan—focussing on the sons, daughters, and grandchildren of autoworkers who are living through the collapse of the U.S. auto industry in the Midwest—and into service industry and financial jobs in other regions, in particular the non-union South. A stinging irony was the number of such youth moving South to work in “management” in Arkansas or some related part of the right-to-work, cheap-labor corporate empire of Wal-Mart Stores. During 1995-2000, Michigan lost, according to Census Bureau reports, almost 40% of its population of college-educated, single young people, from 42,600 down to 26,600; the only state with a worse drain of youth was Pennsylvania. There could be no more dire indicator of the “no-future” economic crisis centered around the decay of the formerly-productive, industrialized regions of the United States under “globalization and free trade,” and the now near-irreversible loss of the productive capabilities and skilled labor forces of those states.

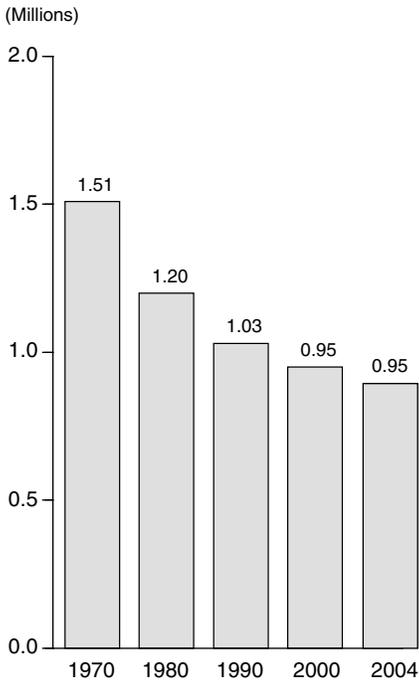
That crisis is centered in the auto industry, the last-chance arena for Congressional intervention to reverse it. Over the past 30 years, just the “Big Three” automakers have closed down 24 auto production and assembly plants in Michigan alone, permanently eliminating nearly 50,000 skilled production jobs, and perhaps another 50,000 in the auto-parts and supply industries, in a state whose total productive workforce is now down to less than 600,000. And further shrinkage in

TABLE 1

Post-Industrial Shift Stopped Population Growth, Formerly Industrial States

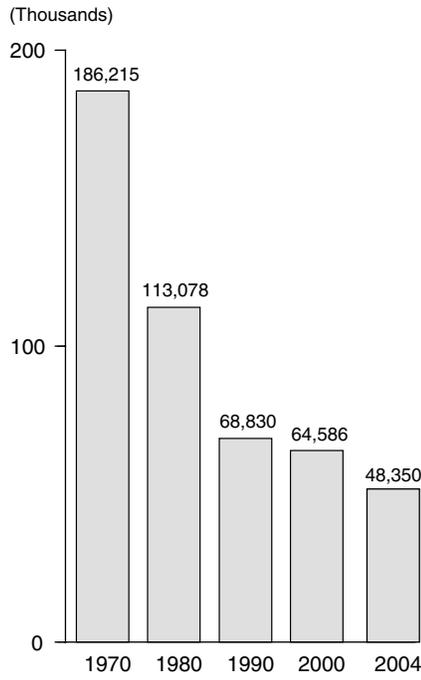
State	1940-70 Growth	1970-2005 Growth
Illinois	40.5%	14.9%
Indiana	51.3%	20.7%
Michigan	67%	13.9%
Missouri	23.6%	24%
New York	35.6%	5.4%
Ohio	53.8%	7.6%
Pennsylvania	19.2%	5.3%
Total	39.7%	10.5%

FIGURE 1a
Detroit: Population Falls by 37%



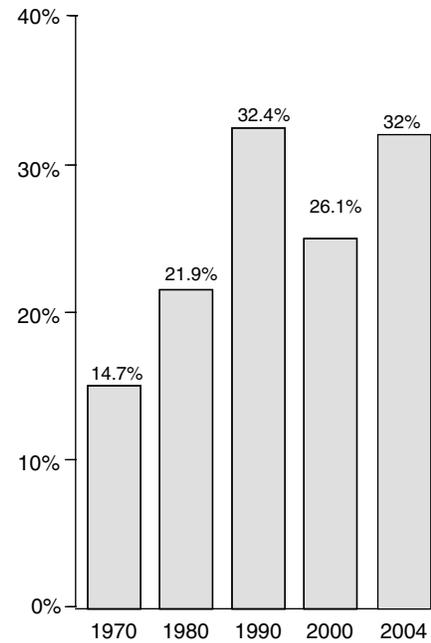
Source: Dept. of Housing and Urban Development, *EIR*.

FIGURE 1b
Detroit: Manufacturing Workforce Falls by 65%



Source: Dept. of Housing and Urban Development, *EIR*.

FIGURE 1c
Detroit: Poverty Rate
 (Percent)



Source: Dept. of Housing and Urban Development, *EIR*.

the current auto-industry crisis immediately threatens to close another 12-15 assembly and production plants, of just the Big Three, in Michigan, within three years or less, eliminating another 15-20,000 skilled production jobs. Whereas nearly 13% of Michigan's workforce was employed in auto in 1975, only 6.4% was in 2000, and less than 6% now.

That crucial core of industrial advance, machine-tool employment, though far smaller in numbers, tells the same story throughout the Midwest. Whereas states from Missouri to New York boasted 1.5-2.% of their workforces highly skilled machine-tool designers and makers in the 1970s, now those percentages have plunged to 1.12% in Michigan, 0.38% in Indiana, 0.56% in Ohio, etc.

Poverty and Deindustrialization

Not industrial diversification, but a picture of increasing poverty has resulted; take a look at Detroit in **Figures 1a-c**, now the large city with the highest rate of poverty nationwide, and its remaining skilled manufacturing workforce declining by 3-4,000 a year.

Across the state has occurred what the *Detroit*

News called "The Fall of Flint," the demise of another auto-centered city which, in the 1950s, had the highest per capita incomes in the United States. Now, nearly 30% of its population lives under the official Federal poverty line. If, as expected, Delphi Automotive CEO Steve Miller during 2006

TABLE 2
Population 15-29 Years Leaves Upper Midwest States

State	1970s Change	1980s Change	1990s Change	2001-04 Change	Total Change
Missouri	345,000	-159,000	-29,000	-17,000	169,000
Illinois	497,000	-453,000	-193,000	21,000	-111,000
Michigan	412,000	-431,000	-60,000	-49,000	-102,000
Indiana	-89,000	-216,000	-151,000	-103,000	-541,000
Ohio	372,000	-459,000	-156,000	-106,000	-310,000
Kentucky	316,000	-145,000	-119,000	-6,000	67,000
Pennsylvania	433,000	-652,000	-343,000	-167,000	-687,000
New York	367,000	-284,000	-703,000	-392,000	-976,000
8 States	2,653,000	-2,799,000	-1,754,000	-819,000	-2,719,000
42 States	8,948,000	209,000	-643,000	1,964,000	10,478,000

closes the FlintEast plant, (which currently employs 2,800, but once employed 14,000), what remains of the city and its once-proud workforce will be decimated. Flint's population has been cut in half since the 1950s, from 200,000-plus to about 100,000 today. In the 1980s GM still employed 80,000 there. More than 20,000 manufacturing jobs have been lost in the city in the last 10 years alone.

The "no future" hollowing-out of cities and states has not been limited to the auto industry center in Michigan. The band of formerly-industrial states from western New York across the upper Midwest to Illinois and Missouri are in an accelerating demographic decline, most marked by the loss of their younger population to the Southeast and West, and to centers of the lower-skill, lower-wage "service economy."

Table 1 shows that the healthy overall population growth which characterized these states in the post-War period through the 1960s, virtually stopped in the 1970s—when the national policy paradigm-shift actually occurred that has been killing off U.S. industrial strength—and has not revived since. That this is not simply a matter of the Baby Boom generation's own raising of a baby bust, is made clear by the fact that the loss of population growth is of 35 years duration and still intensifying.

More seriously, this demographic hollowing-out of the formerly industrial states is *specifically the loss of young people*, and that loss is accelerating now. **Table 2** shows this loss of youth over three and one-half decades—with the most rapid loss, and greatest contrast with the rest of the nation, occurring since the year 2000 and continuing now. Each five-year period since 1975 has found, on average, nearly 500,000 fewer young people, between the ages of 15 and 29, residing in these former industrial-powerhouse states, and the past half-decade has seen a much worse drop than that, of more than 800,000 youth.

The same states have shown a net outmigration (more residents leaving than new residents coming in) during the same decades, of more than 5 million. It is clear that the driving force of that outmigration is the departure of just those young people who could represent the future of physical-economic reconstruction in the region and the nation.

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